Change in Model Concession Agreement for construction of National Highways

209. SHRI R.S. GAVAI: Will the Minister of ROAD TRANSPORT AND HIGHWAYS be pleased to state:

(a) whether Government propose to make changes in Model Concession Agreement for construction of National Highways development project to guarantee minimum rate of return to private investors;

(b) if so, the details thereof; and

(c) the other steps proposed to attract private sector investment in road sector?

THE MINISTER OF STATE OF THE MINISTRY OF ROAD TRANSPORT AND HIGHWAYS (MAJ. GEN. (RETD.) B.C. KUANDURI): (a) No, Sir.

(b) Does not arise.

(c) Government has already provided a number of incentives for private sector such as tax holiday for five years and 30% tax deduction for another five years, duty free import of construction equipment, capital subsidy upto 40% in Build-Operate-Transfer Agreements on casc-to-casc basis, etc. In addition, annuity approach whereby the entrepreneur is assured a fixed annual sum to recover the investment, is also being adopted.

Dream Highway Plan

210. SHRI RUMANDLA RAMACHANDRAIAH: Will the Minister of ROAD TRANSPORT AND HIGHWAYS be pleased to state:

(a) whether the Prime Minister's Dream Highway Plan was approved by Government and an amount of Rs. 30,300 crore has been earmarked for investment in this plan;

(b) if so, whether any concrete action plan has been prepared in this regard;